

## **Workshop Agenda 01-0590**

**Digital Divide Elimination Infrastructure Fund**

**10-3 pm, October 29, 2001**

**Illinois Commerce Commission – Chicago  
160 N. LaSalle St., Room N-808**

**Call-in #: 1-888-327-3006  
(pass code 7731168#)**

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### **I. Welcome**

### **II. Issues List**

**A. Additions**

**B. Deletions**

### **III. Review Issue Items**

**A. Waiver areas**

**B. Eligibility**

**C. Use of funds**

**D. Logistics & Applications**

### **IV. Prep for Second Workshop (11/27/01)**

**A. Comment schedule**

**B. Agenda Items**

## **Potential Issues to Address in DDEIF Rulemaking**

### **1. Waiver areas**

1. Legislation says “in areas of the state for which the [ilec] ... has sought and obtained an exemption from [obligation to provide advanced services]” (Section 13-301.3(b)).
2. Legislation provides no additional guidance re: areas; could be considered –
  - Whole ILEC service area/territory
  - Exchange area
  - Wire center
  - Other designation?
  - This issue will probably be addressed in the waiver requirements workshops
3. Ameritech has stated that it will not apply for a waiver. As a result, (potentially) large service territories in the state (see, e.g., Exchange Area Boundary maps) will be ineligible for the expenditures from the fund.

### **1. “Eligible Entities”**

1. In the legislation, eligibility is broadly drawn  
Could potentially include non-ILECs, non-TCs
2. Start with: who to exclude:
  - Libraries (schools, rural health care providers) – eligible for Federal USF programs
  - Ameritech (they give to the fund – should they be allowed to draw from it?)
  - Any entity eligible for the existing DCCA fund
3. Is a “threshold” eligibility criteria important? (e.g., certificated as a carrier in IL)
  - Allows access to existing Commission review criteria and review processes
  - Increases chances of providing funds to companies that will be viable, will know which end of a cable goes where
  - Drawback: could increase number of applications for certification; increase workload for Doug Price’s shop
  - Could also improve the chances for small cos. to receive funds (i.e., they automatically meet this criteria)
  - Takes care of CLEC industry members
4. Above criteria could unintentionally exclude:
  - Municipalities
  - Other types of utilities
  - DLECs

## **1. Eligible uses**

1. Legislation says “for the construction of high-speed data transmission facilities” (13-301.3.(b))
2. Construction costs –
  - what to include?
  - what to exclude?
3. Definition of “high-speed data transmission?”
  - Could use “advanced telecommunications services” definition from 13-517:  
“[a.d.s.] means services capable of supporting, in at least one direction, a speed in excess of 200 kilobits per second (kbps) to the network demarcation point at the subscriber’s premises.” (i.e., to the NID, to the DSL modem, etc.)
4. “Facilities?”
  - 13-517 is technology-neutral; should the waiver fund be neutral, or specify eligible technologies?
  - Should certain expenditures be disallowed? E.g., computer equipment to manage the network? Design services or other services (deemed to be) peripheral to the deployment?
  - Capital expenditures only? What about recurring expenses?
5. Audit & record-keeping requirements
  - see Section 13-301.3 (d)

## **1. Logistics – applications**

1. Size of the grant?
  - It’s only \$15 million, in total; what size grant can actually make a difference?
  - Allow applications for any size grant?
  - Pre-determine grant sizes (e.g., a range for small, medium, large grants)
  - Require matching investments?
2. Application items
  - Financial profile
  - Community profile (tentative)
  - Affiliate information? Any way to address potentials of structural separation?
  - Level of detail regarding: potential take rates? Return from advanced services?
3. Recurrence – both:
  - Can a recipient apply again? Perhaps yes, for a different territory.
  - Can an entity that has been turned down, apply again? Likely, yes – no way to exclude.

**Scheduled events**

Workshop schedule:

October 29, Chicago

10-3; status hearing at 3:30 pm

Call-in number: 1-888-327-3006 (pass code 7731168#)

November 27, Springfield

11-3

December 6, Status Hearing at 10 am

**Related issues:**

ICC rulemaking activities regarding waiver of Advanced Services Requirement

Case Manager, Torsten Clausen

1<sup>st</sup> workshop: 10/17, Springfield

ICC rulemaking activities regarding voluntary contributions to existing DCCA fund

Case Manager, Cindy Jackson

2 workshops held; draft rules being prepared

Ameritech contributions to existing DCCA fund

HB2900 ordered Ameritech to give \$15 million total (\$5 million per year, 3 years)

DCCA receives and spends this sum out of existing DCCA Digital Divide Fund

DCCA planning to spend \$3 million/year, stretch expenditures across 5 years